

Notification of the Authority's Decision under regulation 29 of the Electricity Industry (Enforcement) Regulations 2010

Under regulation 29(1) of the Electricity Industry (Enforcement) Regulations 2010 (Regulations) the Electricity Authority (Authority) must publicise every decision made under regulation 23(3) together with the reasons for the Authority's decision.

Investigation

On 19 August 2009, the Electricity Commission appointed an investigator under regulation 69 of the Electricity Governance Regulations 2003 to investigate self-reported breach of rule 1.2 of part J of the Electricity Governance Rules 2003 (Rules) by TrustPower Limited (TrustPower).

The breach concerned the submission of incorrect reconciliation information relating to network supply point EDG0331 in April 2009 for the month 14 washup of February 2008.

Contact Energy Limited joined the investigation as an affected party.

On 9 February 2012, the Authority received and considered a report and a recommendation from the investigator to discontinue the investigation.

The Authority's decision

On 9 February 2012, the Authority decided under regulation 23(3)(a) to discontinue the investigation.

Reasons for the Authority's decision

The reasons for the Authority's decision to discontinue the investigation were that:

1. The significant market impact of the breach has been resolved between the participants affected under the terms of a commercial settlement reached in the context of High Court proceedings outside the compliance framework.
2. The breach occurred during the transitional period to new reconciliation provisions which came into effect on 1 May 2008. Rules were subsequently introduced to allow for the retrospective correction of errors.